



500 Castro Street • Post Office Box 7540 • Mountain View, California 94039-7540  
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April 29, 2011

«NAME»  
«ADDRESS\_1»  
«ADDRESS\_2»  
«CITY\_STATE\_ZIP»

**NOTICE OF PUBLIC HEARING  
PROPOSED REFUSE/RECYCLING RATES EFFECTIVE  
JULY 1, 2011**

**City of Mountain View City Council Chambers  
500 Castro Street, Second Floor  
June 14, 2011—6:30 p.m.  
or as soon thereafter as the matter can be heard**

Rate increases are generally necessary to pay for the higher fees the City of Mountain View (City) will be charged by the San Francisco Public Utilities Commission (SFPUC) and the Santa Clara Valley Water District (SCVWD) for the water it supplies to the City; the Palo Alto Regional Water Quality Control Plant (PARWQCP) for the treatment of the City's wastewater; Recology for refuse and recycling collection services; and the Sunnyvale Materials and Recovery Transfer (SMaRT<sup>®</sup>) Station for processing refuse and recyclables.

**REFUSE RATES**

The City's residential and commercial refuse, yard trimmings and recyclables are processed at the SMaRT Station under a contract between the City and Sunnyvale. The contract provides for the City to pay its proportional share of costs. Similarly, Recology, the private company which collects trash and recyclables in the City, is also entitled to increases under its contract. These costs require Mountain View to increase its rates for both refuse and recycling by 6.0 percent, rounded to the nearest nickel. The residential 32-gallon can service rate is expected to increase by approximately \$1.15 per month. The City will not increase refuse rates by more than 7.0 percent without providing further written notice to its customers.

The following table provides samples of current and proposed rates for these services.

**SAMPLE REFUSE RATES—EFFECTIVE JULY 1, 2011**

	CURRENT	PROPOSED	MAXIMUM
<b>REFUSE</b>			
Per 32-Gallon can	\$18.95	\$20.10	\$20.30
3-Yard 1x per week pickup	\$256.80	\$272.20	\$274.80
3x per week pickup	\$805.25	\$853.55	\$861.60
Compactor per Yard	\$51.60	\$54.70	\$55.20

**PROTESTS**

Article XIII(D) of the California State Constitution, also known as Proposition 218, allows utility customers to submit written protests to the City regarding the proposed rate increases. No e-mail protests are accepted. Utility customers objecting to any or all of the proposed utility rates described in this notice may file written protests with the City Clerk. Protests must be received before the close of the public hearing on June 14, 2011.

Written notices should be addressed as follows: City of Mountain View City Clerk  
Attn: Agenda 061411  
P.O. Box 7540  
Mountain View, CA 94039-7540

Protests may also be submitted in person at the City Clerk's Office in City Hall (500 Castro Street) or at the hearing on June 14. Pursuant to California Government Code Section 53755(a)(3)(b), only one written protest per parcel filed by a property owner or utility customer of the parcel who is responsible for paying the rates will be counted to determine whether or not there is a majority protest to the proposed rate increases. To be included in the protest count, a protest must be signed and include the address of the utility customer submitting the protest or, if submitted by a property owner who is not a utility customer, the service address; be timely; submitted with respect to a property served by the City's utilities; and state that it is protesting one or more of the proposed water, sewer and refuse rate increases.

Additional information about this announcement and the proposed rate increases is available on the City's web site at [www.mountainview.gov](http://www.mountainview.gov) under the "All Announcements" link on the home page. You may also contact the City's Finance and Administrative Services Department at (650) 903-6316 or e-mail [finance@mountainview.gov](mailto:finance@mountainview.gov) if you have questions about this notice or the proposed utility service rate increases.

The rates stated in this notice will not be increased above the maximum rates stated above without further written notice to the City's customers and a further protest hearing pursuant to Proposition 218 except as permitted by Government Code Section 53756 as follows:

(i) Inflation adjustment: The rates stated here may be adjusted for inflation as of July 1 of 2012, 2013, 2014 and 2015 to reflect the annual change in the Consumer Price Index for all urban consumers in the San Francisco Metropolitan Area as published by the U.S. Department of Labor, or any successor to that index, February of each year which is typically published in March, provided that no such increase may establish rates which exceed the City's actual cost to provide service.

(ii) Third-party (supplier) pass-through costs: Any increase in the processing of trash provided to the City of Mountain View prior to July 1, 2016, including costs established by the third-party supplier (Recology or the SMaRT Station) may be passed through to customers of Mountain View's utilities as follows: The third-party cost as a percent of operating costs multiplied by the rate increase received from the third-party supplier (Recology or the SMaRT Station).

## **NOTICE OF WATER AND SEWER RATE CHANGES—NO PROPOSITION 218 HEARING REQUIRED**

### **WATER RATES**

Rates for the City's water customers are proposed to increase by 23.0 percent, effective July 1, 2011, rounded to the nearest penny. The SFPUC has notified the City it will increase its wholesale rates by 47.4 percent effective July 1, 2011. The cost of water purchases from the SFPUC accounts for approximately 56.5 percent of the costs to operate the City's water system. This would correlate to a rate increase of 26.8 percent. The SCVWD has notified the City it will increase the treated water rate by 7.9 percent and the well water rate by 9.4 percent for Fiscal Year 2011-12. The annual change in the Consumer Price Index (CPI) for all urban consumers in the San Francisco Metropolitan Area as published by the U.S. Department of Labor for February 2011, published in March 2011, was 1.7. Based on the pass-through increases and CPI, the City could increase rates by over 28.0 percent.

### **WASTEWATER (SEWER) RATES**

In the current fiscal year, the City received a credit of approximately \$2.2 million for Fiscal Year 2009-10 due to operating cost savings. The City of Palo Alto has notified the City it will increase the PARWQCP budget for Fiscal Year 2011-12 by approximately 1.2 percent. Sewer rates paid by Mountain View customers fund the cost of treating wastewater generated in the City at the PARWQCP, which represents approximately 57.0 percent of costs and costs to operate the City's sewer system, which represents approximately 43.0 percent of costs. The City is proposing a 5.0 percent rate decrease to sewer rates for Fiscal Year 2011-12 due to the current and prior fiscal year credits received from the PARWQCP.

### **PROPOSED WATER AND SEWER RATES—EFFECTIVE JULY 1, 2011**

	<b>CURRENT</b>	<b>PROPOSED</b>	<b>MAXIMUM</b>
<b>WATER</b>			
5/8" and 3/4" Meter Size			
0-3 Units	\$1.654	\$2.03	\$2.12
3-25 Units	\$3.407	\$4.19	\$4.36
25+ Units	\$6.769	\$8.33	\$8.66
1" and 1-1/2" Meter Size			
0-20 Units	\$3.407	\$4.19	\$4.36
20-200 Units	\$3.672	\$4.52	\$4.70
200+ Units	\$6.769	\$8.33	\$8.66
Recycled Water—All Meter Sizes	\$2.555	\$2.56	\$2.56

One unit of water is one hundred cubic feet (ccf) or 748 gallons. Water rates are per unit calculated on a monthly basis.

### **SEWER**

Residential (Flat Rate)	\$24.20	\$22.99	\$24.20
Base Commercial (Per Unit of Water)*	\$2.898	\$2.75	\$2.898
Industrial/Groundwater (Per Unit of Water)*	\$5.733	\$5.45	\$5.733
Restaurants (Per Unit of Water)*	\$5.733	\$5.45	\$5.733

\* Or a minimum charge of \$19.25 for commercial and \$38.15 for industrial/groundwater and restaurants may be applicable.